

Statement on the announcement by the Ministry of Health (MOH) on Fee Benchmarks for Anaesthetist Fees and Inpatient Attendance Fees

**Attributed to Life Insurance Association Singapore (LIA Singapore)
29 December 2020**

The Life Insurance Association Singapore (LIA Singapore) is represented on the Fee Benchmarks Advisory Committee (FBAC), and Integrated Shield Plan (IP) insurers have been working in collaboration with the Ministry of Health (MOH) and FBAC on the development of fee benchmarks, including providing inputs and feedback during the engagement and consultation process.

This is the second tranche of benchmarks which follows from the benchmarks for surgeon's fees at private hospitals and clinics for 222 common procedures reintroduced in November 2018 following recommendations put forth by the Health Insurance Task Force (HITF) to address the escalating claims cost for IPs which is the primary contributor to premium increases in recent years.

The life insurance industry is supportive of efforts to collectively stem rising healthcare costs in Singapore, and we will continue to pro-actively initiate and participate in initiatives focused on ensuring that healthcare remains accessible and affordable to the general population.

This requires a multi-stakeholder approach which brings together doctors, hospitals, patients, the Government, and IP insurers to all play our part in keeping healthcare affordable in the long term. We look forward to working closely together on this national priority.

Appendix: Initiatives implemented to keep IP premiums affordable and accessible following recommendations of the Health Insurance Task Force (HITF)

- **Incorporation of co-payment into IP riders** for all seven IP insurers from April 2019, to encourage consumers and providers to choose cost-effective treatments, and reduce the buffet syndrome which arises when there is no out-of-pocket cost.
- **Introduction of the LIA Pre-Authorisation Form** to help standardise the process for policyholders to obtain approval from their IP insurer for a medical treatment and its estimated bill size prior to the actual procedure. Implementation of the Form began in October 2019 and has since been rolled out by IP insurers that adopt Pre-Authorisation since 31 March 2020.

Pre-authorisation is an important measure for our healthcare system to bring healthcare cost inflation under control in the long term. LIA Singapore is committed to working with providers to improve this process over time.

- **Introduction of preferred specialist doctors**, establishing a panel of doctors with whom IP insurers have agreed upon acceptable fees and charges.

With the use of a panel of preferred healthcare providers for IP plans with fees ascertained upfront, claims can be kept within a reasonable range and policyholders can have the assurance that their claims will be covered by their IP insurer.

IP insurers with panels aim to have a sufficient network of preferred healthcare providers who can offer a wide range of medical services to their customers.

- **MOH's development of benchmarks of fees for surgical procedures**, the first tranche of which were published in Nov 2018. These serve to provide a guide to private healthcare providers when assessing how reasonable their charges are, and to insurers when assessing claims and setting panel fee schedules.

###